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REMARKS

The Office Action of 03/31/2006 has been carefully considered. In response thereto, the claims have been amended as set forth above. Reconsideration in view of the foregoing amendments and the following remarks is respectfully requested.

The Abstract has been amended as required. The objection to the drawing is noted. Applicant submits that both the stationary echo canceller (block 4) and the non-stationary echo canceller (6) are illustrated in the drawing as required.

The claims were rejected by reason of various informalities and have been amended to overcome the same.

Claim 7 was rejected as being directed to non-statutory subject matter. Claim 8 was rejected as being indefinite. These claims are hereby canceled without prejudice.

Claims 1-3, 5 and 7-9 were rejected as being anticipated by Reesor. Claim 4 was rejected as being unpatentable over Reesor in view of Martin. Claim 6 was rejected as being unpatentable over Reesor in view of Genter. These rejections are respectfully traversed.

The echo canceller of the present invention as claimed in claim 1 comprises a dedicated non-stationary echo canceller. Reesor in not believed to teach or suggest any such feature.

In particular, a non-stationary echo canceller, as made clear in the specification at page 4, lines 20-27, for example, cancels echo components whose shape and amplitude do not alter substantially over time. As described further at page 5, lines 6-9, the non-stationary echo canceller distinguishes between echo components such that only non-stationary echoes are being suppressed.

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In Reesor, on the other hand, a simple low-pass FIR filter is used as the NLP. Such a simple structure is unable to discriminate between noise components and cannot be said to correspond to the non-stationary echo canceller of claim 1.

With the foregoing clarifications, the claims are now believed to be allowable. Notice of the same is respectfully requested.

Respectfully submitted,

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Dated: July 27, 2005